

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Before Commissioners:                      Dwight D. Keen, Chair  
   Susan K. Duffy  
   Andrew J. French

In the Matter of the Application of the Victory    )  
Electric Cooperative Association, Inc., to        )  
Update Its Local Access Delivery Service        ) Docket No. 22-VICE-498-TAR  
Tariff Pursuant to the 34.5kV Formula Based    )  
Ratemaking Plan Approved in Docket No. 19-    )  
SEPE-049-MIS.    )

**ORDER APPROVING RATE ADJUSTMENTS**

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

1.       On May 2, 2022, Victory Electric Cooperative Association, Inc. (Victory) filed an Application to update its local access delivery service (LADS) tariff pursuant to the 34.5kV formula-based rate plan (34.5kV FBR) approved in Docket No. 19-SEPE-049-MIS.

2.       In its Application, Victory proposes to decrease its LADS demand charge from \$3.70 per kW to \$2.81 per kW.<sup>1</sup>

3.       On June 14, 2022, the Commission issued a procedural schedule, which in relevant part, established a September 30, 2022 deadline for the Commission to either issue an order approving the Application or to notify the parties that an evidentiary hearing was necessary.<sup>2</sup>

4.       On August 31, 2022, Commission Staff (Staff) submitted a Report and Recommendation, recommending approval of Victory's 34.5kV monthly Local Access Charge

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<sup>1</sup> Application, May 2, 2022, ¶ 5.

<sup>2</sup> Order Granting Joint Motion for Procedural Schedule, June 14, 2022, ¶ 3.

(LAC) demand rate of \$2.80 per kW-month.<sup>3</sup> Staff recommended disallowing 100% of expenses in accounts 426.1 and 930.4 related to golf events and sponsorships because those expenses are not necessary to provide safe and reliable utility service.<sup>4</sup> Disallowing those expenses decreases Victory's net revenue requirement by \$2,135 to \$3,043,057, and reduces Victory's proposed LAC from \$2.81 per kW-month to \$2.80.<sup>5</sup>

5. Under the Procedural Schedule, any rebuttal from Victory was due September 15, 2022. Victory did not file rebuttal testimony.

6. While Victory has elected to deregulate from Commission jurisdiction under K.S.A. 66-104d, the Commission retains jurisdiction over charges related to transmission services pursuant to K.S.A. 66-104d(f). Because services rendered to wholesale customers on a 34.5kV system are designated transmission services, the Commission has jurisdiction over Victory's Application.

7. Public utilities operating in Kansas are required to (1) furnish reasonably efficient and sufficient service and facilities for the use of any and all products or services rendered, and (2) establish just and reasonable rates, charges, and exactions, pursuant to K.S.A. 66-101b.

8. Since Victory did not rebut Staff's Report and Recommendation, and it results in a reduced Local Access Charge, the Commission finds adopting Staff's Report and Recommendation will result in just and reasonable rates and allow for continued efficient and sufficient service over Victory's 34.5kV system.

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<sup>3</sup> Staff Report and Recommendation, Aug. 31, 2022, p. 3.

<sup>4</sup> *Id.*, pp. 2-3.

<sup>5</sup> *Id.*, p. 3.

**THEREFORE, THE COMMISSION ORDERS:**

A. Staff's Report and Recommendation is adopted in its entirety. Victory's revised 34.5kV FBR revenue requirement of \$3,043,057 and its revised monthly LAC demand rate of \$2.80 per kW-month are approved.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>6</sup>

**BY THE COMMISSION IT IS SO ORDERED.**

Keen, Chair; Duffy, Commissioner; French, Commissioner (recusing)

Dated: 09/22/2022



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Lynn M. Retz  
Executive Director

BGF

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<sup>6</sup> K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

## **CERTIFICATE OF SERVICE**

22-VICE-498-TAR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 09/22/2022.

BRIAN G. FEDOTIN, GENERAL COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
b.fedotin@kcc.ks.gov

WALKER HENDRIX, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
w.hendrix@kcc.ks.gov

JARED JEVONS, LITIGATION ATTORNEY  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
j.jevons@kcc.ks.gov

SUSAN B. CUNNINGHAM, SVP, REGULATORY AND  
GOVERNMENT AFFAIRS, GENERAL COUNSEL  
KANSAS ELECTRIC POWER CO-OP, INC.  
600 SW CORPORATE VIEW  
PO BOX 4877  
TOPEKA, KS 66604-0877  
scunningham@kepco.org

MARK DOLJAC, DIR RATES AND REGULATION  
KANSAS ELECTRIC POWER CO-OP, INC.  
600 SW CORPORATE VIEW  
PO BOX 4877  
TOPEKA, KS 66604-0877  
mdoljac@kepco.org

REBECCA FOWLER, MANAGER, REGULATORY AFFAIRS  
KANSAS ELECTRIC POWER CO-OP, INC.  
600 SW CORPORATE VIEW  
PO BOX 4877  
TOPEKA, KS 66604-0877  
rfowler@kepco.org

PAUL MAHLBERG, GENERAL MANAGER  
KANSAS MUNICIPAL ENERGY AGENCY  
6300 W 95TH ST  
OVERLAND PARK, KS 66212-1431  
mahlberg@kmea.com

TERRI J PEMBERTON, GENERAL COUNSEL  
KANSAS MUNICIPAL ENERGY AGENCY  
6300 W 95TH ST  
OVERLAND PARK, KS 66212-1431  
pemberton@kmea.com

DARREN PRINCE, MANAGER, REGULATORY & RATES  
KANSAS MUNICIPAL ENERGY AGENCY  
6300 W 95TH ST  
OVERLAND PARK, KS 66212-1431  
prince@kmea.com

SHANE LAWS, CEO  
VICTORY ELECTRIC COOPERATIVE ASSN., INC.  
3230 N 14TH ST  
PO BOX 1335  
DODGE CITY, KS 67801-1335  
slaws@victoryelectric.net

## **CERTIFICATE OF SERVICE**

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ANGELA UNRUH  
VICTORY ELECTRIC COOPERATIVE ASSN., INC.  
3230 N 14TH ST  
PO BOX 1335  
DODGE CITY, KS 67801-1335  
angela@victoryelectric.net

TAYLOR P. CALCARA, ATTORNEY  
WATKINS CALCARA CHTD.  
1321 MAIN ST STE 300  
PO DRAWER 1110  
GREAT BEND, KS 67530  
tcalcara@wcrf.com

JEFFREY M KUHLMAN, ATTORNEY  
WATKINS CALCARA CHTD.  
1321 MAIN ST STE 300  
PO DRAWER 1110  
GREAT BEND, KS 67530  
jkuhlman@wcrf.com

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